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September 24, 2018

VIA ECF AND FEDERAL EXPRESS

The Honorable Paul G. Gardephe United States District Judge for the Southern District of New York Thurgood Marshall United States Courthouse 40 Foley Square New York, NY 10007

Re: Wesco Insurance Company and Technology Insurance Company, Inc. v. Personnel Staffing Group, LLC; Civil Action No.: 18-civ-03771 (PGG) Joint Status Letter Regarding Settlement and Case Management Plan

Dear Judge Gardephe:

In accordance with the Court's August 23, 2018 Order, the parties submit this joint status letter.

In their complaint, Wesco Insurance Company and Technology Insurance Company, Inc. (collectively, the "Plaintiffs") assert claims for breach of contract relating to Personnel Staffing Group, LLC's ("PSG") alleged failure to permit an audit and to pay final premium due on two workers' compensation and employers' liability insurance policies.

We appeared before the Court on August 23, 2018 for an Initial Pretrial Conference. The parties advised the Court that they were engaged in discussions to resolve issues relating to the specific payroll information sought by Plaintiffs which would be necessary to complete the audit. The Court entered a stay of action in order to permit the parties to continue settlement discussions and directed the parties to report back by today with regard to: (1) the status of settlement negotiations; and (2) whether it is necessary for the Court to enter a case management plan.

Since August 23, 2018, PSG has provided the additional specific payroll information that the Plaintiffs requested and that the Plaintiffs are now using to conduct an audit. After the Plaintiffs' completion of the audit, which is expected to take several weeks, the parties hope to be able to agree on a final resolution of this matter.



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In order to allow those settlement discussions to continue, counsel for the parties jointly request that the Court extend the stay of this action an additional nine weeks to November 26, 2018.

We thank the Court for its consideration.

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